

By the Committee on Finance and Tax; and Senators Haridopolos, Atwater, Storms, Deutch and Geller

593-2490-07

1 A bill to be entitled

2 An act relating to affordable housing; amending

3 s. 193.017, F.S.; requiring appraisers to use

4 an income approach when assessing affordable

5 housing property that has a low-income tax

6 credit; creating s. 193.018, F.S.; providing

7 for the just valuation of affordable housing

8 property; requiring property appraisers to use

9 an income approach when assessing such

10 property; specifying the kinds of property

11 subject to the assessment; providing an

12 effective date.

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14 Be It Enacted by the Legislature of the State of Florida:

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16 Section 1. Section 193.017, Florida Statutes, is

17 amended to read:

18 193.017 Low-income housing tax credit.--Property used

19 for affordable housing which has received a low-income housing

20 tax credit from the Florida Housing Finance Corporation, as

21 authorized by s. 420.5099, shall be assessed under s. 193.011

22 using an income approach and, consistent with s. 420.5099(5)

23 and (6), pursuant to this section.

24 (1) The tax credits granted and the financing

25 generated by the tax credits may not be considered as income

26 to the property.

27 (2) The actual rental income from rent-restricted

28 units in such a property shall be recognized by the property

29 appraiser.

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1 (3) Any costs paid for by tax credits and costs paid
2 for by additional financing proceeds received under chapter
3 420 may not be included in the valuation of the property.

4 (4) If an extended low-income housing agreement is
5 filed in the official public records of the county in which
6 the property is located, the agreement, and any recorded
7 amendment or supplement thereto, shall be considered a
8 land-use regulation and a limitation on the highest and best
9 use of the property during the term of the agreement,
10 amendment, or supplement.

11 Section 2. Section 193.018, Florida Statutes, is
12 created to read:

13 193.018 Just valuation for affordable housing.--For
14 the purpose of securing the just valuation of property under
15 s. 193.011 which is subject to a land use agreement or other
16 agreement that restricts the use of the property to affordable
17 housing for a period of 20 years and that is recorded in the
18 official public records of the county in which the property is
19 located, the property appraiser shall use an income approach
20 based on the actual rental income from the rent-restricted
21 units on the property for calculating the assessment of the
22 following property:

23 (1) Property that is funded and the rent restricted by
24 the United States Department of Housing and Urban Development
25 under s. 8 of the United States Housing Act of 1937; that
26 provides affordable housing for eligible persons as defined by
27 s. 159.603, the elderly, extremely-low-income persons, or
28 very-low-income persons as defined by s. 420.0004, and that
29 has undergone financial restructuring as provided in s. 501,
30 Title V, Subtitle A of the Multifamily Assisted Housing Reform
31 and Affordability Act of 1997.

1 (2) Rental property for multifamily housing,
 2 farmworkers, or the elderly which is funded and the rent
 3 restricted by the Florida Housing Finance Corporation under s.
 4 420.5087, s. 420.5089, or s. 420.5095, the State Housing
 5 Initiatives Partnership Program under s. 420.9072, s.
 6 420.9075, or s. 42 of the Internal Revenue Code, 26 U.S.C. s.
 7 42; the HOME Investment Partnership Program under the
 8 Cranston-Gonzalez National Affordable Housing Act, 42 U.S.C.
 9 ss. 12741 et seq.; or the Federal Home Loan Bank's Affordable
 10 Housing Program established pursuant to the Financial
 11 Institutions Reform, Recovery and Enforcement Act of 1989,
 12 Pub. L. No. 101-73.

13 (3) Multifamily residential rental property of 10 or
 14 more units which is certified as being deed restricted by the
 15 public local housing agency as having 100 percent of its units
 16 used for affordable housing for extremely-low-income persons,
 17 very-low-income persons, low-income persons, or
 18 moderate-income persons, as defined by s. 420.0004.

19 Section 3. This act shall take effect July 1, 2007.

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 21 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
 22 COMMITTEE SUBSTITUTE FOR
 23 SB 1022

24 The committee substitute provides that certain affordable
 25 housing properties must be assessed on the basis of their
 26 actual rental income.